



DEPARTMENT OF THE INTERIOR

INFORMATION SERVICE

UNITED STATES FISH AND WILDLIFE SERVICE

For Release JANUARY 22, 1959

SEATON ANNOUNCES PLANS FOR FISHING VESSEL MORTGAGE INSURANCE

Regulations and procedures for a fishing-boat mortgage and loan program, designed to facilitate construction of modern fishing vessels, were submitted today by Secretary of the Interior Fred A. Seaton.

The function was transferred from the Maritime Administration, Department of Commerce, in April 1958, under the provisions of the Fish and Wildlife Act of 1956.

The proposed regulations will be published in the Federal Register and interested parties are given thirty days from the date of publication to submit comments.

The program, when activated, will be operated by the Bureau of Commercial Fisheries, United States Fish and Wildlife Service. The Bureau reports that there is considerable interest being evidenced by fishermen and private financial institutions.

Under this program the Government guarantees the repayment of mortgages and loans up to 75 percent of the vessel cost. For this guarantee, the vessel owner will pay the Government a premium of one percent annually on the amount due on mortgages and one-half of one percent on loans.

A mortgage does not apply until the vessel has been constructed and registered; the term "loan" applies to that period before completion and registry. Mortgage insurance will be limited to 15 years for a vessel. The vessel owner will protect his investment against insurable losses through private companies.

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